

INSURANCE REGULATORY TRUST FUND
INVESTMENT PERFORMANCE REPORT AS OF DECEMBER 31, 2003

	December-03					September-03				Current	Prior Year	3 Years	5 Years
	Market Value	Allocation Actual	Policy	Quarter Net ROR	Month Net ROR	Market Value	Allocation Actual	Policy	Quarter Net ROR	Net	Net	6/30/2003 Net	6/30/2003 Net
LARGE CAP DOMESTIC EQUITY													
<i>Structured Growth</i>													
Los Angeles Capital	14,955	1.6%	1.5%	9.12%	2.14%	13,701	1.5%	1.5%	N/A	N/A	N/A	N/A	N/A
AllianceBernstein	-	0.0%	0.0%	N/A	N/A	-	0.0%	0.0%	N/A	N/A	-1.88%	-21.24%	-6.07%
Total Structured Growth	14,955	1.6%	1.5%	9.12%	2.14%	13,701	1.5%	1.5%	4.99%	14.56%	-1.88%	-21.24%	-6.07%
Russell 1000 Growth				10.41%	3.46%				3.92%	14.74%	2.94%	-21.54%	-5.03%
<i>Structured Value</i>													
LSV	15,106	1.6%	1.5%	15.66%	5.32%	13,078	1.4%	1.5%	3.75%	19.99%	-2.25%	8.84%	3.73%
Russell 1000 Value				14.19%	6.16%				2.06%	16.55%	-1.02%	-0.19%	1.05%
<i>S&P 500 Index</i>													
State Street	67,689	7.1%	7.0%	12.16%	5.24%	60,344	6.6%	7.0%	2.64%	15.11%	0.23%	-11.28%	-1.69%
S&P 500				12.18%	5.24%				2.64%	15.15%	0.25%	-11.20%	-1.62%
TOTAL LARGE CAP DOMESTIC EQUITY	97,750	10.2%	10.0%	12.20%	4.77%	87,122	9.5%	10.0%	3.15%	15.74%	-0.48%	-9.33%	-1.90%
S&P 500				12.18%	5.24%				2.64%	15.15%	0.25%	-11.20%	-1.62%
SMALL CAP DOMESTIC EQUITY													
<i>Manager-of-Managers</i>													
SEI	49,201	5.1%	5.0%	14.82%	2.30%	42,842	4.7%	5.0%	9.48%	25.71%	0.09%	N/A	N/A
Russell 2000 + 200bp				15.07%	2.20%				9.60%	26.12%	0.36%	N/A	N/A
TOTAL SMALL CAP DOMESTIC EQUITY	49,201	5.1%	5.0%	14.82%	2.30%	42,842	4.7%	5.0%	9.48%	25.71%	0.09%	-3.49%	1.64%
Russell 2000				14.52%	2.03%				9.07%	24.91%	-1.63%	-3.30%	0.97%
CONVERTIBLES													
TCW	99,921	10.4%	10.0%	9.98%	3.77%	90,847	9.9%	10.0%	1.85%	12.02%	10.23%	-9.51%	3.90%
First Boston Convertible Index				8.54%	2.79%				2.67%	11.44%	15.46%	-3.77%	5.29%
INTERNATIONAL EQUITY													
<i>Large Cap - Active</i>													
Capital Guardian	77,278	8.1%	8.0%	13.03%	5.32%	68,095	7.4%	8.0%	8.14%	22.23%	-10.31%	-15.85%	0.02%
MSCI EAFE - 50% Hedged				13.15%	5.76%				6.58%	20.59%	-11.24%	-15.51%	-5.33%
<i>Small Cap - Value</i>													
Lazard	9,897	1.0%	1.0%	14.50%	5.09%	9,243	1.0%	1.0%	9.92%	25.86%	N/A	N/A	N/A
Citigroup Broad Market Index < \$2BN				13.31%	6.10%				15.95%	31.39%	N/A	N/A	N/A
<i>Small Cap - Growth</i>													
Vanguard	10,620	1.1%	1.0%	14.06%	6.08%	8,967	1.0%	1.0%	14.95%	31.12%	N/A	N/A	N/A
SSB BROAD MARKET INDEX < \$2BN				13.31%	6.10%				15.95%	31.39%	N/A	N/A	N/A
TOTAL INTERNATIONAL EQUITY	97,795	10.2%	10.0%	13.28%	5.37%	86,305	9.4%	10.0%	8.97%	23.44%	-9.20%	-15.51%	0.27%
MSCI EAFE - 50% Hedged				13.15%	5.76%				6.58%	20.59%	-11.24%	-15.51%	-5.33%
DOMESTIC FIXED INCOME													
<i>Core Bond</i>													
Western Asset	146,940	15.3%	15.0%	1.62%	1.41%	150,661	16.4%	15.0%	-0.16%	1.45%	12.77%	11.23%	8.12%
Lehman Aggregate				0.32%	1.02%				-0.14%	0.17%	10.39%	10.07%	7.54%
<i>Index</i>													
Bank of ND	78,741	8.2%	9.0%	0.07%	1.04%	82,417	9.0%	9.0%	-0.46%	-0.40%	13.26%	10.87%	7.78%
Lehman Gov/Credit				-0.03%	0.99%				-0.50%	-0.53%	13.14%	10.82%	7.83%
<i>BBB Average Quality</i>													
Strong	60,824	6.3%	6.0%	1.46%	1.64%	63,158	6.9%	6.0%	0.02%	1.48%	17.91%	N/A	N/A
Lehman US Credit BAA				1.22%	1.41%				0.27%	1.50%	18.33%	N/A	N/A
TOTAL DOMESTIC FIXED INCOME	286,505	29.9%	30.0%	1.15%	1.36%	296,237	32.3%	30.0%	-0.21%	0.96%	13.18%	10.80%	7.81%
Lehman Gov/Credit				-0.03%	0.99%				-0.50%	-0.53%	13.14%	10.82%	7.83%
CASH EQUIVALENTS													
<i>Bank of ND</i>													
90 Day T-Bill	326,950	34.1%	35.0%	0.29%	0.10%	314,187	34.2%	35.0%	0.30%	0.59%	1.57%	3.26%	4.15%
				0.26%	0.10%				0.25%	0.50%	1.52%	3.33%	4.08%
TOTAL INSURANCE REGULATORY TRUST	958,122	100.0%	100.0%	4.55%	1.95%	917,540	100.0%	100.0%	2.01%	6.65%	6.74%	1.72%	4.85%
POLICY TARGET BENCHMARK				3.85%	1.70%				1.48%	5.39%	4.94%	1.35%	3.99%

NOTE: Monthly returns and market values are preliminary and subject to change.